



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

July 25, 2003

H.R. 2608 **National Earthquake Hazards Reduction Program** **Reauthorization Act of 2003**

As ordered reported by the House Committee on Science on July 22, 2003

SUMMARY

CBO estimates that H.R. 2608 would authorize the appropriation of \$725 million over the 2004-2008 period for programs aimed at reducing earthquake hazards. Assuming appropriation of that amount, CBO estimates that implementing the bill would cost \$691 million over the 2004-2008 period. Enacting H.R. 2608 would not affect direct spending or revenues.

H.R. 2608 would authorize the appropriation of \$482 million over the 2004-2006 period for the Federal Emergency Management Agency (FEMA), the U.S. Geological Survey (USGS), the National Science Foundation (NSF), and the National Institute of Standards and Technology (NIST) to carry out provisions of the Earthquake Hazards Reduction Act of 1977. The bill also would authorize the appropriation of such sums as are necessary to the U.S. Geological Survey for fiscal years 2007 and 2008 to implement that act. In addition, the bill would authorize the appropriation of \$48 million over the 2004-2006 period for the NSF's Network for Earthquake Engineering Simulation.

H.R. 2608 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments. State and local governments might benefit from grants to adopt measures for reducing earthquake hazards.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 2608 is shown in the following table. The costs of this legislation fall within budget functions 250 (general science, space, and technology), 300 (natural resources and environment), 370 (commerce and housing credit), and 450 (community and regional development).

For this estimate, CBO assumes that the authorized and estimated amounts will be appropriated for each fiscal year. Outlay estimates are based on historical spending patterns for existing and similar programs. CBO estimated the authorization level for the USGS in 2007 and 2008 by adjusting the level specified in the bill for that agency in 2006 for anticipated inflation.

	By Fiscal Year, in Millions of Dollars					
	2003	2004	2005	2006	2007	2008
SPENDING SUBJECT TO APPROPRIATION						
Spending Under Current Law						
Budget Authority ^a	111	0	0	0	0	0
Estimated Outlays	96	46	16	6	2	0
Proposed Changes:						
FEMA						
Authorization Level	0	19	21	23	0	0
Estimated Outlays	0	9	14	18	12	7
USGS						
Estimated Authorization Level	0	80	84	93	96	99
Estimated Outlays	0	69	83	92	96	99
NSF						
Authorization Level	0	47	64	68	0	0
Estimated Outlays	0	10	35	53	46	18
NIST						
Authorization Level	0	8	10	13	0	0
Estimated Outlays	0	6	9	12	3	0
Total Changes						
Authorization Level	0	154	179	197	96	99
Estimated Outlays	0	94	141	175	157	124
Spending Under H.R. 2608						
Estimated Authorization Level	111	154	179	197	96	99
Estimated Outlays	96	140	157	181	159	124

a. The 2003 level is the amount appropriated for that year for FEMA, USGS, NSF, and NIST activities related to earthquake hazards reduction.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 2608 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments. State and local governments might benefit from grants to adopt measures for reducing earthquake hazards.

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